United Nations A/58/599

General Assembly

Distr.: General
17 November 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Capital master plan

Report of the Secretary-General*

Summary

The Secretary-General is pleased to submit his first annual progress report on the implementation of the capital master plan, pursuant to paragraphs 31 and 34 of General Assembly resolution 57/292, section II. The report outlines the work undertaken in the context of the project during the year 2003 and provides details on the utilization of funds approved to date for project implementation.

* As the implementation of the capital master plan was authorized by the General Assembly at its fifty-seventh session, the issuance of the present report was delayed to permit the inclusion of details pertaining to the initial steps of the design phase.

03-61657 (E) 211103

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I. Introduction

1. The Secretary-General formally established the Capital Master Plan Office and appointed its Executive Director on 1 February 2003. At present, the total strength of the Office comprises nine Professional and higher and 11 General Service posts.

2. The overall schedule for the implementation of the plan is dependent on three interconnecting factors: the availability of funding, the availability of swing space and the progress of technical preparations. Progress has been made in all area, and all three remain coordinated although behind the initial schedule.

3. The progress made in the implementation of the plan is discussed below.

II. Status of possible funding arrangements

4. In the previous report (A/57/285), the date projected for availability of funding for the plan was October 2004, which assumed that construction funding would be resolved in 2003. Discussions are still ongoing with the host country regarding funding modalities. However, this process is expected to result in a funding proposal in early 2004, with possible funding availability for the plan in 2005. Should developments so merit, an interim report would be made to the Assembly prior to the regularly scheduled annual report, which is due to be submitted to the General Assembly at its fifty-ninth session.

III. Other contributions from public and private sources

5. Since the modalities for a financial package are still under consideration by Member States, the Secretary-General considers it premature to establish an advisory board or to approach other public and private sources for contributions to the capital master plan.

IV. Cooperation with the city and state of New York

6. In its resolution 57/292, the General Assembly welcomed the offer of support from the city and state of New York and acknowledged their efforts to make possible the implementation of the capital master plan.

7. The availability of swing space, i.e., the proposed new building, to be known as the UNDC5 building, is currently projected for the second half of 2007. Current activities on the schedule for UNDC5 include the design competition held to select the architect for the building, as discussed below.

8. The city of New York and the United Nations Development Corporation, in consultation with the United Nations, have made a decision to select an internationally known and respected architect for the design of the new building on the basis of a design competition. The architects to be considered were those who had previously been named as Pritzker Architecture Prize laureates. The Pritzker Prize has been awarded annually since 1979 to a living architect whose built work demonstrates a combination of talent, vision and commitment, which has produced consistent and significant contributions to humanity and the built environment

through the art of architecture.[1] The 22 living Pritzker Prize laureates represent 14 countries.

9. A selection group was created, consisting of three representatives each from the city of New York, the United Nations Development Corporation and the United Nations. Three finalists were selected through a series of qualification and interview steps, and they presented their conceptual designs on 30 September and 1 October 2003. The selection committee has made all its decisions by unanimous agreement and it is anticipated that an architect will be selected before the end of 2003. Subject to resolution of all funding matters and community issues, the United Nations Development Corporation plans to begin construction in the first half of 2005.

10. The city of New York continues to work with the local community on the mitigation measures which are an integral part of UNDC5 development.

11. Equally critical will be the date by which United Nations Development Corporation will be able to issue the bonds required to finance the construction of the UNDC5 building. The bonds are dependent on several factors, including the United Nations ability to sign a lease for the new building, which in turn is dependent on the funding for the capital master plan. If indeed a funding commitment is made by the General Assembly by October 2004, the current UNDC5 construction schedule would be maintained.

V. Progress of design work

12. A series of procurement steps have been undertaken in preparation for the detailed design development work for the capital master plan.

13. Following the decision to proceed according to the first approach,[2] an assessment was made as to the most effective way to contract for the detailed design work. A significant planning concern was that concentration of the responsibility for the design work in a single firm could cause delays during either the design period or the construction period because of the high volume of design or review work required in order to maintain the required schedule. It was also recognized that although a few disciplines would be universal to the entire complex, the seven buildings in question represented several very different building types. The overall design work was, therefore, broken down into separate projects.

14. Six major design contracts have been drafted, each including the duty to actively coordinate with the other design teams and each with the responsibility to set standards project-wide for the areas of their special expertise. The work is anticipated to begin in early 2004.

15. The next major procurement action, the selection of a programme management firm, will include the responsibility of checking inter-project coordination. The fees remain within the parameters cited in the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the capital master plan, including projections for the remaining contracts (A/57/7/Add.4). The programme management firm will be in place before major design submissions are made.

16. During 2003, design work was concentrated on three areas: methods of introducing natural light into the proposed new mid-sized conference rooms, methods of increasing available parking and related projects on the strengthening of

security at United Nations Headquarters (see General Assembly resolution 56/286). The results of design work for the first two of these areas are the subject of separate reports being submitted by the Secretary-General. Progress on related projects on the strengthening of security at United Nations Headquarters is described in paragraphs 17 to 23 below.

VI. Status of procurement activities

17. Over the period since the adoption of General Assembly resolution 57/292, the Capital Master Plan Office has entered into contracts with 21 vendors in the context of implementation of a design stage of the capital master plan project for both the project itself and for the projects relating to the strengthening of security of premises brought forward for implementation pursuant to General Assembly resolution 56/286. Contracts have been awarded for a total amount of $12.3 million; the details of procurement activities, by the country of origin of vendors, are contained in the annex.

VII. Related projects on the strengthening of security at United Nations Headquarters

18. In his report to the General Assembly on strengthening the security and safety of United Nations premises (A/56/848), the Secretary-General put forward a number of proposals based on threat assessments and analyses of critical functions carried out at United Nations Headquarters in New York and at the principal offices away from Headquarters.

19. Having considered the report of the Secretary-General and the related report of ACABQ (A/56/7/Add.9), by its resolution 56/286 the General Assembly appropriated $57.8 million for the implementation of the proposed measures worldwide, including one-time requirements for upgrading the physical and security infrastructures. The Assembly requested the Secretary-General to take all possible measures to ensure that the work within the projects approved for Headquarters be integrated with the capital master plan proposed in his initial report (A/55/117 and Add.1) to the extent possible. In this regard, paragraph 13 and annex II of that report identified the $17 million provision for the projects originally contained in the capital master plan but being brought forward for immediate implementation at Headquarters. Those projects are termed the "strengthening security projects", for which the capital master plan team provided design assistance to the Office of Central Support Services during the biennium 2002-2003. There are 10 consolidated strengthening security projects.

20. In 2003, on the establishment of the Capital Master Plan Office, the management of the strengthening security projects was transferred to the Office in order to better integrate the strengthening security projects with the implementation of the capital master plan.

21. The design concept of the strengthening security projects focuses on perimeter protection for the Headquarters complex, supported by an electronic access control system. The concept and the measures proposed to implement it reflect threat assessments, a security strategy in line with the Organization's emergency

preparedness plan, feedback from a conference of security experts convened in New York in October 2002, and inputs from the Facilities Management and Security and Safety Service networks during 2002/2003, as well as the application of recognized industry and government standards. Teams from the Office of Central Support Services, notably from the Security and Safety Service, the Information Technology Services Division and the Facilities Management Division, were closely involved in the development of design criteria and specifications.

22. Design development for the projects began in November 2002. Design and construction documents were completed in June 2003 and bids for construction invited in the same month. The deadline for receipt of formal bids was mid-September 2003. Following review, the contracts for construction are scheduled to be awarded in December 2003, in addition to contracts for construction administration and construction management. Construction is scheduled to begin in January 2004 and will last approximately 10 months, followed by a two-month period for commissioning and operational start-up.

23. The Capital Master Plan Office and the Office of Central Support Services have established a task team under the chairmanship of the Assistant Secretary-General for Central Support Services to ensure close coordination of effort for the projects. The Office of the United Nations Security Coordinator, the Department of Peacekeeping Operations and the Office of Internal Oversight Services participate in regular briefings and reviews of work in progress. Periodic videoconferences are conducted with the main offices away from Headquarters to ensure that all parties are aware of work in progress to strengthen security and safety at all locations and to share lessons learned. Particular attention is being paid to ensuring that the projects are integrated with contract F of the Capital Master Plan Office, which deals with security projects and initiatives; the selection process for architectural and engineering companies has been completed and contracts are currently being finalized for contract F.

VIII. Status of expenditures

24. By its resolution 55/238, the General Assembly appropriated an amount of $8,000,000 for the preparation of a comprehensive design plan and detailed cost analysis of the capital master plan. The provision was expended in the amount of $7,996,300, broken down as follows: contractual services ($7,517,700), general temporary assistance ($444,700), other operating costs ($33,900). The residual balance of that provision in the amount of $3,700 has been reported as savings to the General Assembly in the context of the second performance report for the biennium 2000-2001. Following the report of the Secretary-General (A/57/285), by its resolution 57/292 the General Assembly has further appropriated an amount of $25.5 million for the biennium 2002-2003 for design and related project management costs. To date, of that provision the amount of $16,870,300 has been committed for capital master plan implementation, including $2,083,600 for staff costs, $14,168,000 for contractual services, and $618,700 for equipment, furniture and other operating expenses of the Office. By the same resolution, the General Assembly also authorized the Secretary-General to enter into commitments of up to $26 million for the biennium 2004-2005 for the remaining work related to design, project management and management or pre-construction services. Conversion of the commitment activity into an appropriation will be sought in due course if

progress with the project implementation gives rise to a need for cash disbursements to be effected.

IX. Conclusions and recommendations

25. **The Secretary-General believes that tangible progress has been made in all areas of implementation of the capital master plan project. While there has been some delay against the initial time schedule, all areas are moving forward in a coordinated manner without a negative impact on the design phase. The final construction schedule will determine the actual completion date for the implementation of the capital master plan. The General Assembly may wish to take note of the present report.**

Notes

[1] For the purpose of the Prize, see www.pritzkerprize.com/purpose.htm.

[2] The first approach entails temporary relocation of most of the functions in United Nations Headquarters to a new building to be constructed by the United Nations Development Corporation immediately south of 42nd Street, thus enabling the refurbishment of the Headquarters complex to be performed in a minimum amount of time.

Annex

Status of procurement activities for the capital master plan

Country of origin of contractors	*Number of contractors awarded*	*Total value of contracts (United States dollars)*
Israel	1	46 800
Italy	1	8 520 400
United States of America	19	3 744 900
Total	**21**	**12 312 100**